THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

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DR. FRANK R. PETRUZIELO
Superintendent of Schools

December 18, 1996

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, N.W., Room 814
Washington, D.C. 20554

RE: CC Docket No. 96-45

Dear Chairman Hundt:

As the superintendent of the School Board of Broward County, Florida, I sincerely thank you for your leadership and the leadership of the Joint Boards in unanimously supporting a decision to ensure that all schools have affordable access to the Information Superhighway. I urge you, as Chairman of the Federal Communications Commission (FCC), to fully adopt the recommendations of the Joint Board.

The discount range of 20 to 90 percent will ensure that all schools — even the poorest — have truly affordable access. The plan is also very flexible and will empower schools to select the services that work best for their educational mission. The inclusion of discounts on internal connections and Internet access is equally vital and stands to bring services directly to the classroom where students learn.

As you move ahead in your deliberation on this important issue, I urge you to seize this opportunity to bring 21st century learning to our schoolchildren.

Sincerely,

Frank R. Petruzielo
Superintendent of Schools

FRP/EEA:rp

cc: School Board Members
Superintendent's Cabinet

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City of Seattle
Department of Administrative Services

Kenneth J. Nakatsu, Director
Norman B. Rice, Mayor

December 13, 1996

William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20552

Dear Mr. Caton:

Re: Comments of City of Seattle
In the Matter of Implementation of Section 254 of the Telecommunications Act of 1996,
Universal Service, CC Docket No. 96-45

This letter presents preliminary comments by the City of Seattle with regard to the Recommended Decision on Universal Service.

Support for Low-income Consumers

The City of Seattle supports the recommendations made by the Joint Board to assure that toll charges do not result in the loss of telephone services for Lifeline customers. This recommendation has the potential to improve the long-term penetration of telephone service among low-income residents.

The City of Seattle will support the recommendation of the Joint Board to defer the issues of universal service support for usage of interexchange and advanced services for low-income residents. The City of Seattle would like to see the Commission address the concept of access to Internet service in a manner similar to access to interexchange services as part of the definition of Universal Service in a future proceeding. Under this concept, consumers would have choice of Internet providers, but the process would be simplified for the consumer who would have combined billings, similar to long distance charges. Protections to assure that Internet Access charges did not result in the loss of local of phone service for Lifeline participants, as discussed above, would need to be in place. However, as many interexchange providers are only beginning to market these services, and some calling areas do not have local Internet Service Providers, the adoption of this concept at this time would be premature.

Support for Schools and Libraries

The City supports the recommendation on flexibility for the acquisition of telecommunications services.[ML1] The City supports the inclusion of telecommunications services beyond the service normally included in Universal Service. High speed technologies will be increasingly important for Internet Access.[ML2] The City also supports the recommendation for access to Universal Service Fund support for Internet and e-mail services. The Joint Board recommendation to limit discounts to information services not presently accessible through the Internet is reasonable, given the extensive demands for Universal Service funding..

The City concurs with the Joint Board recommendation that for limited purposes (to provide advanced data connectivity to classrooms, public access points in Libraries) the "inside wiring" should be eligible for discounts supported by the Universal Service Fund. The provision of connections is a competitive business. The provision of significant discounts will require support to the providers. The mechanisms provided in the recommendation, including the reimbursement from the Universal Service Fund, the requirements of competitive acquisition processes, and an annual cap on the expenditures should balance the need with assurance that the telecommunications users are not burdened by this recommendation.

The City supports the items on the list included in Paragraph 477 as to allowable elements of "inside wiring", but the list of allowable items should be expanded to include data switches (Ethernet, IP or ATM) and the exclusion should be expanded to include "thin client" net stations and terminals for consistency.

The City concurs with the Joint Board recommendation that services to schools and libraries be able to obtain services, and be subject to Universal Service supported discounts, from the full range of telecommunications carriers who can meet the specific needs of the school or library. We believe that this range of providers be allowed to include telecommunications networks which do not offer services to the general public. Inter-governmental consortia, institutional networks achieved through cable television franchise negotiations, and services from other private networks with excess capacity may provide very cost-effective means to meet the needs of schools and libraries. All providers should be required to respond through a competitive process to assure that the benefits of cost-efficiency are being realized by the schools and libraries.

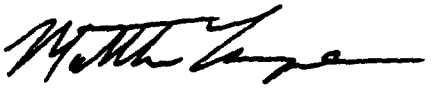
The City is comfortable with the limitation on resale, as necessary to assure the appropriate priority of the Universal Service Fund, provided that the interpretation is not onerous on consortia that provide the service to schools and libraries. If the consortia have to submit "bids" to the fund through the administrator for the service to each entity, then there will be price competition for the service. The best price for the service should be obtained by the respective school or library. While it is appropriate to require records to support the cost allocation to eligible schools and libraries, imposition of a requirement for highly detailed accounting to disaggregate the costs for each school or library, to assure that the discount support does not cross-subsidize the other consortia members, may increase the costs for the consortia and "waste" Universal Service Funds which may otherwise go to provide services. These consortia should be able to be include reasonable retained earnings for the future upgrade of systems or to lower costs in the future to remain competitive, provided that the allocation is reasonable and not not accrue disproportionally from the customers who are eligible for the discount.

The City supports the concept that the total value of the Universal Service Fund may be capped, with priorities used to guide disbursements if requests would otherwise exceed the cap; however, we would suggest that the cap be clarified to be specific for Universal Support for Libraries and Schools, which appears to be the intent in the recommendation. While the cap may slow the deployment of these systems in portions of the country, the pace of deployment will be naturally limited by the ability of the schools and libraries to obtain the necessary pcs, workstations, etc. and to provide appropriate training for staff to make use effective use of access. However, the City of Seattle urges that the priority scheme used to disburse funds, in addition to the priorities discussed in the recommendation (most economically disadvantaged who have not yet received support) also establish some limitations, in years when the cap will be reached, on the scope of services to be supported, particularly with the telecommunications service provided. Hypothetically, if the last requests pending before the cap is reached are from two schools, one which qualifies for a 90% discount and seeks support for a T-3 line for every 100 students, which would exhaust the last dollar available under the cap, and the other school which qualifies for an 80% discount seeks support for a T-1 line for every 200 students, there should be criteria to limit the amount of support to the more economically disadvantaged school to allow "reasonable" service level to both schools.

The City of Seattle supports the use of the School Lunch Eligibility criteria to establish the discount rate for schools The report did not, however, address the eligibility criteria for determining the level of discount appropriate to a library. Libraries, like schools, generally serve a geographic area while being a part of a larger system. While the school lunch program criteria has the elegance of assessing not just the neighboring residential character, but the characteristics of the students in the school. There is not such an indicator for library patrons however. There are numerous possible indicators including the traditional census boundaries. For simplicity, as the data tends to be available, as schools tend to be geographic, and to promote the use of similar indicators for both schools and libraries, we should suggest that the discount eligibility of the three closest public schools (or for more rural areas the closest school if multiple schools are not located within 5 miles of the library) be aggregated to determine the eligibility of the library. However, as libraries serve the general population, alternative criteria should be considered to address communities where unusual population characteristics exist, such as in a community with a significantly greater than usual senior population.

Please contact Matthew Lampe at (206) 684-0504 or by e-mail, Matt.Lampe@ci.seattle.wa.us if you have questions regarding these comments.

Sincerely,



Matthew Lampe
Director, Strategic Planning

cc: Steve Johnson, Office of Intergovernmental Relations
Tina Podlodowski, Seattle City Council, Telecommunications and Technology Committee

ST. ALEXIUS MEDICAL CENTER
"Let all be received as Christ"

December 19, 1996

Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M Street NW, Room 814
Washington, DC 20554

Dear Honorable Reed Hundt:

Thank you for the opportunity to comment on CC DOCKET 96-45, Telecommunications Act of 1996. I am writing on behalf of the 22 member facilities of the TeleCare Network of North and South Dakota, to provide information regarding the Universal Service Provision of this Act.

The TeleCare Network is a cooperation of 22 health care facilities joined together via telecommunications technology to provide high quality specialty care services to citizens residing in rural North and South Dakota. I serve as the coordinator for the TeleCare Network and Telemedicine Services at St. Alexius Medical Center, Bismarck, ND. St. Alexius is a 300 bed, non-profit hospital and the sponsoring tertiary care center for the TeleCare Network.

Our experience in providing telemedicine interactive consultative services has shown that it is essential that the minimum standard for bandwidth be 1.544 Mbps. The physicians need this quality of telephone service in order to evaluate patients with the same standards of image resolution that they would see when evaluating the patient in person. Less bandwidth causes delays in image transmission and "jerkiness" in the picture quality when the patient moves, which would interfere with their ability to accurately diagnose and treat the patient.

We believe that in order for telemedicine networks like ours to continue in the future, the telephone rates need to become **truly affordable** for the small rural hospitals and clinics. Currently, the cost for telephone services to these rural communities ranges from $1,100 to $4,200 per month. The distance away from Bismarck, as the central "Hub" is 63 miles to 200 miles. **It is not enough that the rates be comparable in rural and urban areas, these rates need to be distance neutral in order for rural facilities to afford to offer this kind of access to specialty physician services.** Telemedicine is beneficial for citizens of these communities because it enables more health care services to be received locally which stimulates the economy of these struggling rural communities.

We would encourage the commission to give consideration to the following:

1. Maintain the standard transmission rates at up to and including 1.544 Mbps.
2. Offer discounted rates to qualifying health care facilities.
3. Set up a rate structure for these services that would be **distance neutral** - inter and intra-lata.

900 East Broadway Box 5510
Bismarck, North Dakota 58506-5510
701-224-7000
FAX 701-224-7284
TDD 701-224-7946

We would also like to encourage the Commission to review the landmark telecommunications reform act passed by the Texas legislature in 1995. Texas House Bill 2128 made it affordable for the state's public schools, libraries and hospitals to use advanced telecommunications technology on a daily basis. For example, before the legislation was passed, the cost for 1.544 Mbps transmission for medical consultations to a site 100 miles away was $1,584 per month. After the law was enacted the monthly rate decreased to $260 per month. This $260 rate is 105% of the telephone company's cost for delivering this type of service. This price range is what the rural health care facilities need to remain competitive in offering a full range of services at the local level. The high cost of installation charges is also of concern. It is not uncommon for us to be billed $1,200 for each new site that joins the TeleCare Network. I have enclosed a brochure that overviews the discounted rates that Southwestern Bell, Texas is offering.

Thank you for your commitment in seeing that the Telecommunications Act is implemented in a manner that will facilitate the advancement of telemedicine to benefit the residents of rural states like North and South Dakota. Have a Merry Christmas!

Sincerely,

Shari Frueh, RN

Shari Frueh, RN
Telemedicine Coordinator-TeleCare Network

enclosures

C: Mr. Richard Tschider, CEO, St. Alexius Medical Center
FCC Office of the Secretary and Committee Service List
International Transcription Service for the FCC
Ms. Sheryl Todd, Common Carrier Bureau (on diskette)
US Senator Kent Conrad
US Senator Byron Dorgan
US Representative Earl Pomeroy

DIAL THE INTERNET TOLL-FREE

nother provision of HB 2128 calls for Southwestern Bell to fer public schools and libraries toll-free dialing to an Inter-et service provider. The schools and libraries that are ligible must be served by Southwestern Bell and be ocated in a community where today there is no Internet ervice provider that can be reached with a local phone call.

Southwestern Bell has established two ways to meet this commitment. First, for the schools that today are accessing the Internet through TENET (Texas Education Network), a special 800 number has been established. Schools that use TENET for Internet access should contact TENET for more information.

If a school or library does not access the Internet through TENET and must dial long distance to reach an Internet provider, Southwestern Bell will provide the school or library with a special phone number that will connect it to the Internet provider the school has chosen within Southwestern Bell's service area. Simply contact Southwestern Bell's Internet coordinator at the following address:

SWBT INTERNET COORDINATOR
One Bell Plaza
Room 3040.14
Dallas Texas 75202
E-Mail: ls3605@dlsmail1.sbc.com

Sen. S. Ogden – Unanimous Approval

Provide optical interconnectivity to move data, video, voice from any point to any other point. Schools were the focus Ed. is the key. Crime Prevention

Originated in the Econ. Development Committee

Telephone companies are helping foot the bill. Lay the fiber back pave the other services at our rates.

Southwestern Bell
Telephone

February 1996

Discounted Rates for Telecommunications Services for Schools, Libraries and Hospitals Under House Bill 2128

Southwestern Bell
Telephone

Information-Sharing Technology Can Be More Affordable

By passing a landmark telecommunications reform act last year, the Texas Legislature has made it more affordable for the state's public schools, libraries and hospitals to use advanced telecommunications technology on a daily basis. Through House Bill 2128, certain telecommunications services are now available at lower rates, which means accessing the World Wide Web on the Internet, conducting trigonometry classes simultaneously at several sites via video conferencing, or reviewing patient records in telemedicine programs has never been more cost-effective.

At Southwestern Bell, we're available to offer our expertise to help schools, libraries and hospitals improve their current telecommunications system through the use of lower service rates as a result of HB 2128.

Telecommunications Services Available at Discounted Rates

MegaLink III

Service Name: **MegaLink III** (DS-1 or T-1 service)
Service Description: **MegaLink III** provides digital, private telecommunications between two or more locations, whether across the street or across town, at speeds up to 1.544 megabits per second (mbps). **MegaLink III** is a premium telecommunications service that would be suitable to meet the needs of most schools, libraries and hospitals.
Applications: **MegaLink III** can link classrooms, computer labs, offices or libraries to one another or to other information sources. In the classroom it can be used effectively for instructional purposes, like Internet access and text, graphic and video sharing. It also can carry administrative data such as attendance reporting. In the healthcare industry, **MegaLink III** can link doctors to hospital information systems, allowing them to pre-admit patients, check on patient status, review patient records and schedule lab tests.
HB 2128 Pricing: $130 a month per channel termination (connection point) regardless of the distance between the two locations that are connected within the same LATA. An optional "clear channel" feature, which increases the available bandwidth of **MegaLink III**, is priced at $30 a month.

MegaLink Custom

Service Name: **MegaLink Custom** (DS-3)
Service Description: Like MegaLink III, **MegaLink Custom** also provides digital, private telecommunications between two or more locations. However, **MegaLink Custom** moves *more* information—it's up to 28 times *faster* (45 mbps) than MegaLink III. **MegaLink Custom** uses fiber optic cable to transmit voice data and video signals.
Applications: One of the primary advantages of **MegaLink Custom** is that it allows more users to use the system at one time. For example, **MegaLink Custom** could link many desktop computers together and share information simultaneously. **MegaLink Custom** also is capable of providing "near broadcast quality" full motion video (which is comparable to commercial television) for use in distance learning and telemedicine applications.
HB 2128 Pricing: **MegaLink Custom** is priced on an individual case basis at Southwestern Bell's cost plus five percent and is partly distance insensitive. The charge for mileage between the Southwestern Bell central switching offices providing **MegaLink Custom** service is the same regardless of the distance between central offices

Broadband Education Video Service (BEVS)

Service Name: **Broadband Educational Video Service (BEVS)**
Service Description: **BEVS** provides continuous-presence, near broadcast quality video either of two ways: point-to-point (between two locations), or multi-point (between three or four locations). **BEVS** incudes a fiber optic line from a SWBT central office to the eligible school, library or hospital, as well as a 10 mbps Ethernet feature for data transmission. BEVS is available for a flat monthly rate, and is available to be used 24 hours a day.
Applications: **BEVS** allows schools, libraries and hospitals to connect with one another and share full-motion interactive video. While **BEVS** is used more for educational applications, telemedicine uses are also growing.
HB 2128 Pricing: **BEVS** is available at Southwestern Bell's cost plus five percent.

Native LAN Interconnection Services

Service Name: **Native LAN Interconnection Services (NLIS)**
Service Description: **NLIS** are high-speed, private network services that connect two or more Local Area Networks (LANS) "transparently," or unnoticed by the users. Southwestern Bell offers customized **NLIS** service for joining 10 mbps Ethernet LANs, 4 or 16 mbps Token Ring LANs, or 100 mbps Fiber Distributed Data Interface (FDDI) LANs. Service is also available in either point-to-point (two locations) or multi-point (three or more locations) options.
Applications: **NLIS** can be used to link individual school or hospital networks together for joint projects or programs. The service could be used for purposes as simple as sharing files or as complex as conducting live interactive video training or educational sessions. These functions could be connected simultaneously or meet a predetermined schedule.
HB 2128 Pricing: **NLIS** is based on an individual case basis at Southwestern Bell's cost plus five percent.

Network Reconfiguration Service (NRS)

Service Name: **Network Reconfiguration Service (NRS)**
Service Description: **NRS** offers the ability to control and reconfigure **MegaLink III** or **MegaLink Custom** networks remotely to make the most of the network during periods of heavy or light usage—whether it be from hour-to-hour, day-to-day, or week-to-week.
Applications: **NRS**, for example, allows schools to dedicate a number of telephone lines to serve continuing education needs during regular business hours. At night, the same school could reconfigure these telephone lines to serve data center and accounting functions. Likewise, if a hospital uses the services of several long distance companies, **NRS** also provides the hospital the ability to choose the most economical service for particular routes and times of day.
HB 2128 Pricing: The monthly price for a DS-1 port is $45 a month. In addition, a non-recurring charge of $1,770 is required for initial database setup.

Additional Savings on HB 2128 Services Installation

All of the services above are available *without incurring additional* installation or special construction charges. That's added savings in addition to the already reduced price for each service.